



Worksheet PTE

2004

**MAINE REVENUE SERVICES
CREDIT RATIO WORKSHEET**



**FOR AN OWNER OF A SOLE PROPRIETORSHIP OR
A MEMBER OF A PASS-THROUGH ENTITY CLAIMING
THE PINE TREE DEVELOPMENT ZONE INCOME TAX CREDIT**

1. Federal adjusted gross income from Form 1040ME, line 14 1 _____
2. Business income included in federal adjusted gross income 2 _____
3. Ratio of business income to nonbusiness income (line 2 divided by line 1) 3 _____
4. Maine income modifications related to business income (may be a negative number) 4 _____
5. Maine adjusted gross income from business activity (combine lines 2 and 4) 5 _____
6. Maine adjusted gross income from Form 1040ME, line 16 6 _____
7. Ratio of Maine adjusted gross income (line 5 divided by line 6) 7 _____
8. Pine Tree Development Zone apportionment percentage (as reported by the
business entity) 8 _____
9. Member's Pine Tree Development Zone credit ratio (line 7 x line 8). Enter here and
on the Pine Tree Development Zone Tax Credit Worksheet, line 7 9 _____

INSTRUCTIONS

General Instructions

What is the Pine Tree Development Zone (“PTDZ”) income tax credit? The credit is available to certain businesses and individual owners of businesses that expand or begin operations in a designated area of the state targeted for the need for economic growth. For details about the program, visit: www.maine.gov/revenue/incomeestate.

Who must complete this worksheet? Individual taxpayers claiming a PTDZ credit from either a sole proprietorship or a pass-through entity (partnership, S corporation, etc.) must calculate the ratio of business to non-business income on Worksheet PTE. The result of this worksheet is then transferred to the PTDZ credit worksheet in order to calculate the actual credit for the year. This worksheet and the PTDZ credit worksheet must be attached to the taxpayer’s Maine income tax return (1040ME) along with a copy of the Pine Tree Development Zone certificate issued to the business by the Department of Economic and Community Development.

What does this worksheet do? This worksheet calculates the business to nonbusiness income ratio for individual taxpayers claiming the Pine Tree Development Zone income tax credit. Individuals claiming this credit must also complete the Pine Tree Development Zone tax credit worksheet, which calculates the applicable credit.

For more information about the Pine Tree Development Zone program and the related benefits, see Maine Revenue Services guidance on the Pine Tree Development Zone income tax credit available at: www.maine.gov/revenue/incomeestate.

Specific Instructions

Line 2. Enter on this line the business income included in federal adjusted gross income from federal Schedule C (for sole proprietor) or Schedule K-1 (for member of a pass-through entity).

Line 4. Enter on this line the amount of business-related income modifications included on Maine Form 1040ME, Schedule 1.